

Since passage of the Telecommunications Act of 1996 and the "deregulation" of cable television, consumers have seen their rates jump an average of 59 percent -- with some areas experiencing even more dramatic increases. The cost of cable modem service remains out of reach for many households, holding constant for years and selectively underserving rural and low-income Americans. The American people are watching the digital divide widen even as the need for access to high-speed networks increases.

The FCC, through this Notice of Proposed Rulemaking, recognizes that new video competition is entering the market, as phone companies (like AT&T and Verizon) begin to roll out television service. The Commission asks if the telephone companies are slowed or blocked in their expansion by the process of negotiating franchises -- the agreements that companies seeking to provide video services sign with local governments that set the terms for building cable television systems.

Does the franchising process need reform? Perhaps. However, the most important issue is not how to ensure the process is changed to suit the interests of telephone companies. Instead, the most important issue is how to ensure that the rights and services of local communities are protected and enriched. We should start with these desired outcomes and work backward to see if the process to deliver them can be improved. Local governments undoubtedly will -- and must -- play a key role in any future franchising process.

Though the franchising process has not been perfect, it has been a critical safeguard to protect the interests of consumers and citizens in our local communities. Now that the phone companies are building television systems, local communities are hungry for new competition that could drive down costs, increase options, provide access to local content and bring us closer to bridging the digital divide.

These franchise agreements guarantee that local governments control rights-of-way and obtain fair rents from the companies that dig them up to lay cable. They guarantee universal build-out of the technology and its advantages to every household in the community, not just affluent neighborhoods. They guarantee funding and facilities to provide public access television as well as other services like low-cost broadband for our schools and libraries.

Since a string of buyouts beginning with TCI in 1996, our wonderful Public Access station has been repeatedly downgraded by cable operators TCI, AT&T, and Comcast. Despite the fact that our community surveys have shown that Marin County residents are in favor of PEG programs and services, we still do not have a franchise agreement which satisfies our local needs for PEG. Our local authorities seem to be powerless or compromised in their ability to utilize the franchising

process to benefit our entire community and assure the type of free speech necessary to open elections and diversity of opinion. We have only one Countywide daily newspaper, and private corporations which wish to influence public policy regarding their business interests, only have to take out ads in that newspaper. On local issues, diversity of opinion is easily overwhelmed by monied interests.

When Comcast took over AT&T's franchise in 2002, they dropped an agreement with 12 million dollars in community benefits, and have delayed the signing of a new agreement to date. From the beginning of the franchise renewal period which began early in 1998 our community has been told that the law will be changed to protect only franchise fees and free cable providers from other obligations like PEG. That was only two years into the 1996 Telecom Act, and already the cable and phone company, AT&T, was taking a hard-line position against these local benefits.

De facto deregulation exists whenever local authorities cannot take advantage of remedies provided by law, and must negotiate an uneven playing field. I ask the FCC to strengthen, not weaken, the authority of local agencies to provide adequate compensation and healthy and diverse communications within our local jurisdiction.

We have plenty of fiber deployed in our County, but the majority of customers don't want to buy at today's price. I don't believe that the type of competition promised by phone companies will bring the price down. We need a national broadband policy, but not at the cost of local services.

Comcast shouldn't say they want the phone companies to play by the same rules, but continue to avoid signing a franchise agreement. Phone companies entrance into our market can easily be expedited under the current rules, but these companies must be willing to pay their fair share for the use of our ROW. The local residents in Marin have been in franchise limbo for five years. Further deregulation of local franchising hurts our community and leaves us as easy prey to telecom companies which only wish to maximize profits and avoid serving our entire community or its special communication needs.